

County of Los Angeles DEPARTMENT OF PUBLIC SOCIAL SERVICES

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BRYCE YOKOMIZO Director

January 29, 2004

TO:

Each Supervisor

GLORIA MOLINA First District YVONNE BRATHWAITE BURKE Second District ZEV YAROSLAVSKY Third District DON KNABE Fourth District

Board of Supervisors

MICHAEL D. ANTONOVICH

Fifth District

FROM:

Bryce Yokomizo, Director

SUBJECT: DIRECT DEPOSIT QUARTERLY REPORT

This is to provide you with an update on the Direct Deposit Program. For the fourth quarter (October-December 2003), the average number of cash issuances by Direct Deposit decreased from 9,957 to 7,585. However, as you may recall, the previous increase from 7,605 to 9,957 was largely attributed to the number of supplemental payments issued in August 2003 as a result of the Cost of Living Adjustment (COLA).

Although we had anticipated that the effectiveness of our outreach efforts would be visible by this quarter, we have not seen the increase we were expecting. As a result, we are in the process of making some modifications to our existing processing procedures and anticipate increases by next quarter. The following chart details the payments issued for the quarter:

	Payments Using Direct Deposit		
Month	Monthly	Supplemental*	Total
October	6,749	872	7,621
November	6,717	714	7,431
December	6,748	954	7,702

^{*} Supplemental Payments are payments that are authorized and generated after the system cut-off date for the payment month. These payments may include additional eligible benefits for the month due to a change in income and/or household composition, or the regular monthly benefit.

We will continue to focus on activities to increase enrollment in Direct Deposit. These activities include: the expansion of collocated bank representative staff to additional District Offices; a competition among districts offices, ranking them based on the percentage of Direct Deposit cases; outreaching to participants with bank accounts (who do not have Direct Deposit); ongoing training of staff; and the inclusion of Direct Deposit information in packets sent to participants as part of their annual eligibility determination.

In addition, based on other counties' and our own pilot experiences, we anticipate that with EBT's implementation, more participants will want direct deposit. With Direct Deposit, benefits are automatically deposited on the first of each month; there is no staggered benefit date, as with EBT. With DPSS' EBT pilot, the South Central and Metro East districts experienced a 43% and 13% increase in their Direct Deposit cases, respectively. We are optimistic that other districts will see similar increases as they implement EBT.

I will continue to update your Board quarterly on our progress in increasing Direct Deposit enrollments.

BY:lc

c: Auditor-Controller Chief Administrative Officer County Counsel